IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OKLAHOMA

1. MICHAEL TODD GRAHAM, Plaintiff, vs. 1. LARRY CORONA, 2. ANDRAY DOWNS, and 3. R.L. HOWARD, Defendants.	)	Case No. 11-CV-058-JHP-TLW JURY TRIAL DEMANDED

COMPLAINT

Plaintiff Michael Todd Graham ("Graham") for his complaint against Defendants Larry Corona ("Corona"), Andray Downs ("Downs"), and R.L. Howard ("Howard"), alleges and states as follows:

JURISDICTION AND THE PARTIES

1. This is an action for relief under the provisions of section 17(a) (15 USC § 77q et seq.) and Sections 12(a)(1) and (2) (15 USC § 77l) of the Securities Act of 1933, as amended ("the Securities Act"), section 10(b) (15 USC § 78j(b)) of the Securities Exchange Act of 1934, as amended ("the Exchange Act"), and Rule 10b-5 thereunder (17 CFR § 240.10b-5).

2. The jurisdiction of this Court is created by section 22 of the Securities Act (15 USC § 77v) and section 27 of the Exchange Act (15 USC § 78aa).

3. Venue is proper in this judicial district under 28 USC § 1391 (b)(2) as this is a judicial district in which a substantial part of the events or omissions giving rise to Plaintiff's claims occurred.

4. Plaintiff is a resident of Tulsa County, Oklahoma and was a resident of Tulsa

County, Oklahoma at all times relevant herein.

5. Defendants Corona, Downs, and Howard are residents of the State of Texas.

6. At all times relevant herein, the conduct and activities of the Defendants were directed to Plaintiff in Tulsa, Oklahoma and have resulted in harm and injury to Plaintiff in Tulsa, Oklahoma.

7. Personal jurisdiction over the Defendants comports with the requirements imposed by the United States Constitution.

COUNT I

Plaintiff realleges all allegations contained in paragraphs one through seven of this Complaint.

8. In March 2010, Defendant Downs contacted Plaintiff about making an investment in bank instruments being offered by Defendants Corona and Downs in a company known as Third Coast Financial Group, which was represented by Defendants Corona and Downs to be a Texas corporation.

9. This investment in bank instruments was being offered to provide financing for Defendants Corona and Downs. Defendants Corona and Downs assured the Plaintiff that the investment was entirely safe and secure and that no longer than ninety (90) days from the date of the investment Plaintiff would receive a substantial return on the investment. After repeated warranties and representations by Defendants Corona and Downs, Plaintiff agreed to make the investment in Third Coast Financial Group.

10. Plaintiff was further instructed by Defendant Downs to contact Defendant Howard, an attorney with R.L. Howard and Associates, to verify the transaction. Defendant Howard represented to Plaintiff that he was handling the disbursement of the funds to Defendant

Corona and Downs. Plaintiff obtained wiring instructions from Defendant Howard to transfer funds to be held in escrow by Defendant Howard. Defendant Howard reassured Plaintiff that he would return Plaintiff's money within ninety (90) days if the transaction with Defendants Corona and Downs "did not go through." Defendant Howard obtained wiring instruction to Plaintiff's bank for such an occurrence.

11. Pursuant to the warranties and representations made by the Defendants to the Plaintiff, on or about April 2, 2010, Plaintiff entered into an agreement with Defendants Corona and Downs whereby Plaintiff invested the sum of $100,000.00. The funds were wire transferred from Plaintiff's bank to Defendants Corona and Downs at their bank located in Sugar Land, Texas. Pursuant to the terms of the agreement, Plaintiff was to receive the sum of $200,000.00, to be paid no later than ninety (90) days from April 12, 2010, for making the investment or the initial payment of $100,000.00 would be returned to Plaintiff by Defendant Howard.

12. After making the investment, Defendants Corona and Downs repeatedly assured Plaintiff that the $200,000.00 payment from the bank instruments would be forthcoming. Defendant Downs travelled to Tulsa and reassured Plaintiff that payment would soon be made, but no such payments were ever received by Plaintiff. Defendants Corona and Downs, in order to forestall Plaintiff from taking legal action, have made numerous statements to Plaintiff that the payment was on the way. No such funds were ever received by Plaintiff.

13. Plaintiff has invested with Defendants the sum of $100,000.00 and, although demand has been made upon Defendants to provide information on Plaintiff's investment, Defendants have furnished no proof that any bank instruments were ever purchased. Defendants have returned no sums to Plaintiff.

14. The acts described in this Complaint involved the purchase and sale of securities

within the meaning of Section 2(1) of the Securities Act and Section 3(a)(10) of the Exchange Act by means of oral communications, by use of the mails, and by the use of the means and instrumentalities of interstate commerce. As the residence of Plaintiff is in Tulsa County, Oklahoma, certain of the acts complained of herein took place in Tulsa County, Oklahoma. Further, Defendants offered these securities to Plaintiff by use of the telephone from Texas. Plaintiff confirmed the sale of these securities by use of his telephone in Tulsa, Oklahoma, and the bank wire was sent from Plaintiff's bank in Tulsa, Oklahoma to Defendants' bank in Sugar Land, Texas.

15. Both Defendants Corona and Downs participated in the offer and sale of these securities.

16. Defendant Howard, with the intent to induce Plaintiff into transacting with Defendants Corona and Downs, made false and misleading statements and is a primary violator in the actions complained of herein.

17. The securities offered and sold by Defendants to Plaintiff were not registered with the Securities and Exchange Commission as required by Section 5 of the Securities Act, and therefore, were offered and sold by Defendants in violation of Section 12 (1) of the Securities Act. Plaintiff hereby tenders any interest to Defendants in the purported bank instruments on receipt of the $100,000.00 being paid by Defendants Corona and Downs, plus interest from the date of Plaintiff's purchase.

18. Plaintiff has been required to employ an attorney to prosecute this action and is entitled to recover his reasonable attorney's fees and costs for making this demand upon Defendants.

COUNT II

19. Plaintiff realleges all allegations contained in paragraphs one through eighteen of this Complaint.

20. Defendants, in connection with the offer and sale by them of the securities to Plaintiff, made the following untrue statements of material facts:

a) Bank instruments would be purchased in Texas.

b) These bank instruments would be fully secured and Plaintiff's funds would not be at risk.

c) Plaintiff would receive the sum of $200,000.00 on or before July 12, 2010.

d) Plaintiff's $100,000.00 would be fully refunded by Defendant Howard if the bank instruments were not purchased.

21. Defendants engaged in other manipulative activities and fraudulent courses of conduct in regard to their sale of securities to Plaintiff, including, based upon the knowledge and belief of this Plaintiff, that no bank instruments were ever purchased. Further, no evidence of any bank instrument was ever presented by Defendants to Plaintiff and Plaintiff's funds have not been returned to him.

22. The foregoing misrepresentations and omissions concern material facts which were made in and/or omitted from oral communications from Defendants to Plaintiff in connection with his purchase of securities from Defendants.

23. At the time Plaintiff purchased securities from Defendants, Plaintiff did not know of the untruth of the facts misstated. Therefore, Defendants violated Section 12(2) of the Securities Act in connection with their sale of these securities to Plaintiff.

24. Plaintiff is entitled to recover the sum of no less than $100,000.00 and interest and

reasonable attorney's fees and costs for the violation of Section 12(2) of the Securities Act.

COUNT III

25. Plaintiff realleges all allegations contained in paragraphs one through twenty-four herein.

26. Plaintiff alleges that untrue statements of material facts, the omission of material facts and the manipulative and fraudulent activities and the fraudulent course of conduct of Defendants in connection with the sale to Plaintiff of Securities were in violation of Section 10(b) of the Exchange Act and Rule 10-b-5 thereunder.

27. The alleged misstatements were made by Defendants with complete knowledge of their falsity and Defendants knowingly omitted to state to Plaintiff the facts alleged to have been omitted and these facts were material.

28. Plaintiff did not know of the falsity of Defendants' warranties and representations. Further, Defendants knew certain facts were omitted and the Plaintiff relied upon these statement of facts which were made by Defendants. Therefore, as a result of these untrue statements, omissions, manipulative and fraudulent activities and fraudulent courses of conduct Plaintiff has suffered damages in the amount of $100,000.00.

29. The statements made by Defendants were knowingly made with wanton and total disregard of the rights of Plaintiff and Plaintiff should be entitled to recover exemplary or punitive damages in an amount to be determined by the Court in order to deter the future conduct of Defendants and to set an example for others not to engage in this course of conduct.

COUNT IV

30. Plaintiff realleges all allegations contained in paragraphs one through twenty-nine herein.

31. Plaintiff alleges that the misstatements, omissions, manipulations and fraudulent activities and the fraudulent conduct of Defendants constitute a violation of Section 17(a) of the Securities Act and, as a result thereof, Plaintiff has sustained damages in an amount of no less than $100,000.00.

COUNT V

32. Plaintiff realleges all allegations contained in paragraphs one through thirty-one herein.

33. The actions of Defendants in the offer and sale of securities to Plaintiff were violative of the Oklahoma Securities Act.

34. Defendants violated certain provisions of the Oklahoma Securities Act, including 71 Okla. St. Ann. §510, et al., as a result of their schemes and artifices to defraud Plaintiff by making untrue statements, omitting material facts and engaging in acts practiced in the course of business which operated as a fraud and deceit upon Plaintiff.

35. Pursuant to the Oklahoma Securities Act, Plaintiff hereby tenders any interest in the bank instrument or other securities to Defendants, if the same exist, and Plaintiff is entitled to recover the sum of not less than $100,000.00 with interest thereon on such amount.

36. Defendants made material false representations and their actions were deceitful to Plaintiff. Defendants were aware that they were misstating material facts and omitting to state material facts to Plaintiff. Further, Defendants knew the Plaintiff would rely on these representations.

37. Plaintiff expressly relied upon the misrepresentations of Defendants and that the actions of Defendants toward Plaintiff constituted fraud.

38. The deceit and/or fraud perpetrated by Defendants upon Plaintiff was knowingly

and willfully done by Defendants with total disregard of the rights of Plaintiff.

39. Defendants' conduct offends public policy and is unfair and involves practices which are immoral, unethical, oppressive, unscrupulous, and unconscionable. Accordingly, Plaintiff requests that he be awarded punitive and exemplary damages. Defendants' unlawful conduct constitutes aggravated misconduct that is morally reprehensible. The unlawful conduct of Defendants constitutes intentional or reckless conduct that justifies the imposition of punitive damages against Defendants, under 23 Okl. St. Ann. § 9.1, in an amount not less than $100,000.00.

WHEREFORE, Plaintiff Michael Todd Graham demands judgment against Defendants Larry Corona, Andray Downs, and R.L. Howard, jointly and severally, for actual damages in an amount not less than $100,000.00 with interest thereon; exemplary damages in an amount not less than $100,000.00; a reasonable attorney's fee and costs, and; for any other relief the Court deems necessary and proper.

By Jessie V. Pilgrim

Lee I. Levinson OBA #5395
leelevinson@sbcglobal.net
Jessie V. Pilgrim OBA #11152
Jessiepilgrim@gmail.com
Scott V. Morgan, OBA #31083
svbmii@gmail.com
Levinson, Smith & Huffman, P.C.
1743 E. 71st Street
Tulsa, OK 74136-5108
(918) 492-4433
(918) 492-6224 (Fax)

ATTORNEY'S LIEN CLAIMED